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SEMINOLE COUNTY GOVERNMENT AGENDA MEMORANDUM

SUBJECT: Wholesale Wastewater Service Agreement with the Orange County			
DEPARTMENT: Environmental Services DIVISION: Administration			
AUTHORIZED BY: CONTACT: Bob Adolphe CAEXT. 2012			
Agenda Date 7/13/04 Regular Consent X Work Session Briefing Public Hearing – 1:30 Public Hearing – 7:00			
MOTION/RECOMMENDATION: Approve Agreement between Orange County and Seminole County for Wholesale Wastewater Service.			
BACKGROUND:			

This Agreement being requested for BCC approval is a partnership between Orange and Seminole Counties for the provision of wholesale wastewater capacity in a portion of Seminole. The capacity provided under this Agreement will serve the Hawthorne Glenn residential subdivision.

The Agreement is for 67,500 gallons per day of sewer capacity over the twenty (20) year period beginning with BCC approval. The Agreement contains a provision for two automatic renewals every ten (10) years at the end of the initial twenty year term.

> Reviewed by: Co Atty: _ NO DFS:_ Other: DCM: File No. CESAO2

WHOLESALE WASTEWATER AGREEMENT BETWEEN SEMINOLE COUNTY AND ORANGE COUNTY

THIS AGREEMENT is made and entered into this ___ day of ________, 2004, by and between Seminole County, a political subdivision of the State of Florida, whose address is Seminole County Services Building, 1101 East First Street, Sanford, Florida 32771, hereinafter referred to as "Seminole," and Orange County, a political subdivision of the State of Florida, whose address is 201 South Rosalind Avenue, Orlando, Florida 32801, hereinafter referred to as "Orange."

WITNESSETH:

WHEREAS, Orange owns and operates a wastewater system located in Orange County (hereinafter "Wastewater System") and is desirous of selling, on a wholesale basis, wastewater treatment and disposal services to Seminole; and

WHEREAS, Seminole wishes to connect to the Orange Wastewater System and purchase wastewater services on a wholesale basis from Orange in order to serve the subdivision to be known as Hawthorne Glen (the "Project"), more particularly described in Exhibit "A" attached hereto; and

WHEREAS, Seminole has identified a maximum wastewater service capacity need of 67,500 gallons per day ("GPD"), to serve the Project.

NOW, THEREFORE, in consideration of the premises, mutual covenants, agreement and promises herein contained, the parties hereby covenant and agree as follows:

Section 1. Recitals: The parties agree that the foregoing recitals are true and correct

and form a material part of this Agreement upon which the parties have relied.

- Section 2. Definitions. The parties agree that in construing this Agreement, the following words, phrases, and terms shall have the following meanings unless the context indicates otherwise:
- 2.1 "Agreement" means this Wholesale Wastewater Service Agreement as it may from time to time be modified.
- 2.2 "Collection Facilities" means those lines, pipes, meters and appurtenant equipment owned, operated, and maintained by Seminole used to collect wastewater and to transmit same to Orange's transmission facilities at the point of connection depicted in Exhibit "B," attached hereto and incorporated herein.
 - 2.3 "GPD" means gallons per day on an average annual basis.
- 2.4 "Orange Plant" means those treatment and disposal facilities used by Orange to treat wastewater and dispose of said treated wastewater in accordance with applicable governmental and regulatory requirements.
- 2.5 "Orange Wastewater System" means those Transmission Facilities and Orange Plant from which Seminole is receiving wastewater services on a wholesale basis, and which system is operated and maintained by Orange.
- 2.6 "Transmission Facilities" means those lines, pipes, lift stations, meters, and appurtenant equipment owned and used by Orange to transmit wastewater from the point of connection with Seminole Collection Facilities to the headworks of the Orange Plant.
- 2.7 "Wastewater Service Capacity" means the amount of wastewater flow measured in GPD which Seminole wishes to purchase from Orange and which Orange agrees to accept at

its Wastewater System in accordance with this Agreement.

- 2.8 "Connection Point" means the mutually agreed upon location for the interconnection of Orange and Seminole wastewater systems and the location where the maintenance responsibility and ownership rights for Orange and Seminole wastewater systems are divided.
 - 2.9 "Average Daily Flow" means the total annual wastewater flow divided by 365.
- 2.10 "Wastewater Capital Charges" means those fees and charges established and collected by Orange to pay for Wastewater Service Capacity sold hereunder. The amount shall be determined in accordance with the Orange schedule of rates.
- Section 3. Term. This Agreement shall be effective when executed by all parties hereto and shall continue in full force and effect for a period of twenty years. This term shall automatically extend for up to two (2) consecutive ten (10) year terms unless either party provides the other with three (3) years prior written notice of intent to cancel this Agreement before the expiration of the original term or the then current term.
- payment of the Wastewater Capital Charges and User Charges set forth in Section 7, Orange agrees to accept, treat and dispose of a maximum of 67,500 GPD of wastewater from Seminole's Collection Facilities. Seminole shall transmit to Orange, wastewater generated only by its customers within the Project. Seminole shall deliver the wastewater flow to the agreed upon Connection Points in the Orange Transmission Facilities. Seminole shall assure that all wastewater sent from Seminole to Orange meets the requirements of Orange's Sewer Use Ordinance standards, as specifically stated in Article XX of Chapter 37 of the Orange County

Code, which ordinance Seminole acknowledges it received under separate cover. Seminole shall have the right to provide wastewater treatment service to the Project independently from utilizing the Orange Wastewater System through this Agreement, and it shall be in Seminole's sole discretion to determine how much, if any, flow Seminole actually sends to the Orange Wastewater System.

Section 5. Reservation of Capacity and Payment of Wastewater Capital Charges:

Seminole shall submit an application for Wastewater Service Capacity from Orange to serve the Project and pay Wastewater Capital Charges, as more fully set forth in paragraph 7 of this Agreement. Thereafter, should Orange be unable to meet its obligations for wastewater service, this Agreement shall be considered in default. Only upon the reservation of not more than 67,500 GPD of Wastewater Service Capacity and the payment of applicable Wastewater Capital Charges by Seminole to Orange, will Orange be bound to perform other provisions of this Agreement. Seminole must apply for service under this Agreement within ninety (90) days of execution of this Agreement.

Section 6. Collection and Transmission Facilities.

6.1 Connection to Transmission Facilities. Seminole shall cause to be designed, permitted, and constructed a transmission system from the Seminole Connection Facilities to the Connection Point, designated by Orange and as depicted in Exhibit "B." Orange shall have the right to review and comment, in a timely manner, on the plans and specifications for the transmission system and Connection Point to the Orange Wastewater System, which shall be designed in accordance with Seminole County Water Code within Seminole County and Orange County standards within Orange County. Orange shall cause such documents to be reviewed

within fifteen (15) working days of the original submission. Seminole shall submit revised plans and specifications to Orange, and Orange shall review, and if the plans and specifications are acceptable, approve the plans within fifteen (15) working days of any revised submissions. Construction of the Transmission Facilities within Orange County and connections to the Orange Wastewater System shall only occur after Orange has approved the plans and specifications.

- 6.2 Transmission and Treatment Facilities. Orange certifies that the Orange Wastewater System has adequate capacity to serve the Project.
- 6.3 Operation and Maintenance. Operation and maintenance of the Collection Facilities, as defined in Section 2.2 herein, within Seminole County shall be the responsibility of Seminole. Operation and maintenance of the Transmission System within Orange County shall be the responsibility of Orange.

6.4 Metering.

- (a) Seminole shall furnish and install metering equipment at a point mutually agreed upon as specified in Section 6.1, which will be capable of measuring, all flow from the Collection Facilities to the Transmission Facilities, and Seminole shall obtain all necessary easements and permits for areas where these meters are to be installed.
- (b) The metering equipment shall be of standard make and flow meter type suitable for wastewater service, shall be approved by Orange, installed at a readily accessible location, and shall record flow with error not to exceed plus or minus two percent (2%) of full scale reading. Upon installation, calibration and acceptance, the metering equipment shall become the property of Orange, and Orange shall be responsible for the operation, maintenance, calibration and replacement of the meter. Orange shall read the meter for billing purposes.

Seminole may request, in writing, an accuracy test by Orange without charge once during any twelve (12) month period. Seminole may request and shall be permitted to witness the test. Seminole may request additional testing; such tests shall be at Seminole's expense. Copies of requested test results will be provided to Seminole within thirty (30) days. There will be no charge to Seminole for tests that discover an inaccurate meter. If the meter is found to be inaccurate as defined above, a bill adjustment will be made to the flow-based component of the charge. In determining the bill adjustment, the parties shall review the historical data and collectively agree upon the point in time at which the inaccuracy first occurred. The billing adjustment shall be based upon the difference between the average flow for the twelve (12) month period that preceded the inaccuracy and the inaccurate reading. In no case shall the period for which adjustments are sought exceed twelve (12) months.

- 6.5 Service Standards. The parties hereto mutually agree that after connection of the Collection Facilities to the Transmission Facilities as provided herein, Orange will then continuously provide, in accordance with the other provisions of this Agreement, Wastewater Service Capacity sufficient to meet the wastewater needs of the Project, up to the maximum of 67,500 GPD in a manner to conform with all applicable governmental requirements. Upon connection of the Collection Facilities to the Transmission Facilities, any customers that have connected or will connect to the Collection Facilities shall be customers of Seminole and shall pay Seminole's rates, fees, charges, and deposits for wastewater service.
 - 6.6 Sewer Use Requirements.
- (a) Seminole agrees to comply with the pretreatment standards contained in Chapter 37 of the Orange County Code and to comply with state and federal law requirements with regard

to pretreatment standards for wastewater flows to public wastewater treatment facilities. Seminole agrees and understands that Orange has adopted a pretreatment ordinance that will more readily comply with state and federal pretreatment requirements, and that Seminole has afforded itself an opportunity to review this ordinance, and agrees that it will and can comply with the requirements of this ordinance, Chapter 37 of the Orange County Code, Article XX. The provisions and covenants set forth in this Section 6 shall survive the termination of this Agreement.

- (b) Seminole specifically agrees that it will not accept or introduce hazardous materials into its wastewater and transport same to Orange. Seminole specifically agrees to be responsible for all costs, expenses, penalties, fines or other charges incurred by Orange in the event of an upset, shutdown or operations failure in the Orange Wastewater System if Seminole introduces any such hazardous materials into the wastewater treatment system or delivers it to the Connection Point(s) for treatment by Orange. Seminole shall be fully responsible for the removal, treatment or proper disposal of any hazardous material introduced into the Seminole Collection Facilities, and Seminole shall be fully responsible for the costs incurred by Orange if such materials are introduced into the Orange Wastewater System or Reclaimed Water System.
- (c) Failure by Seminole to comply with the requirements of this Section 6 may result in Orange exercising its right to terminate this Agreement pursuant to Section 13 of this Agreement.
- Section 7. Components of Wastewater Charges. The costs associated with this Agreement are composed of capital charges and operational fees, charges and rates ("User Charges").

- (a) Wastewater Capital Charges to allocate 67,500 GPD of wastewater service capacity to Seminole under this Agreement requires that the sum of \$559,575.00 is due and payable before Seminole connects to the Orange Transmission Facilities. Payment of these capital charges are a precondition to any obligations upon Orange to provide wastewater service under this Agreement.
- (b) After wastewater treatment services pursuant to this Agreement have begun,
 Wastewater Capital Charges paid by Seminole to Orange shall not be subject to refund or return,
 even if this Agreement is terminated.
- (c) User fees are the monthly minimum charges of \$45.56, which represents fixed asset and service charges incurred by Orange, and the volume charges (wholesale wastewater service rate) of \$2.29 per 1,000 gallons of metered flow.
- (d) Orange will bill Seminole monthly for user fees. Orange shall read the meter to ascertain the volume charge and submit a bill based upon the meter reading. Seminole agrees to pay all User Charges within forty-five (45) days from the date of the Orange bill. Failure of Seminole to pay the bill by its due date shall result in a late fee of 1 ½ % of all unpaid amount(s). It shall be a default of this Agreement by Seminole to fail to pay all charges when due.
- (e) The wholesale wastewater service rate and charges are subject to change during the term of this Agreement. The new rates and charges shall be effective when approved by the Orange County Board of County Commissioners. Any rate adjustments to the Orange residential wastewater rates and charges approved by the Orange Board of County Commissioners shall apply on a percentage basis to calculate the User Charges specified herein following a rate change, and shall thereafter be the rates and charges to be paid by Seminole to Orange under this

Agreement.

Section 8. Disclaimer of Third-Party Beneficiaries. This Agreement is solely for the benefit of the formal parties herein, their successors and assigns, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other party not a formal party hereto.

Section 9. Assignment. Except as otherwise specifically provided herein, this Agreement shall not be assignable without the express written permission of the parties, which permission may be granted or denied in each party's sole discretion. The parties, however, have the right to assign to any other government or any other governmental utility provider the rights, duties and obligations hereunder upon notification of said assignment to the other party. Notwithstanding anything in the foregoing to the contrary, neither party shall assign any of its rights, obligations or duties under this Agreement to any investor-owned utility or other private party without the express written permission of the other party, which permission may be granted or denied at the non-assigning party's discretion.

Section 10. Default.

- (a) In the event of an act of default by either party, the non-defaulting party shall have all remedies available to it under the laws of the State of Florida, including but not limited to, injunction to prevent default or specific performance to enforce this Agreement. However, these rights shall be exercised as outlined in Section 11 of this Agreement. The rights of the parties shall be considered cumulative and shall not be waived for future defaults by the selection to exercise or the failure to exercise any rights and remedies for a current default.
 - (b) Default Notice: Any notice required or allowed to be delivered hereunder

shall be in writing and be deemed to be delivered when (a) hand delivered to the official hereinafter designated, or (b) upon deposit of such notice in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to a party at the address set forth opposite the party's name in Section 14, or upon delivery by hand, or by a courier or parcel delivery service, or at such address.

Section 11. Notice of Breach and Cure Procedures. The parties agree that different types of breaches of this Agreement shall have different types of notice and cure provisions as set forth below.

- (a) (i) If Seminole fails to pay to Orange Wastewater Capital Charges pursuant to Subsections 7(b) and (c), then Orange is under no obligation to provide service under this Agreement for all or any portion of wastewater flow for which Wastewater Capital Charges have not been paid.
 - (ii) If Seminole fails to pay to the Orange periodic Wholesale Wastewater User Charges properly billed by Orange for a period exceeding ninety (90) days, Orange may terminate this Agreement and seek collection of said sums, including interest provided for herein, for such period during which said sums remain unpaid. It shall not be a defense that Seminole retail customers have not paid Seminole.
- (b) Sewer Use Violations. Should Seminole or its retail customers violate the Orange Sewer Use Ordinance set forth in Article XX, Chapter 37, Orange County Code, Orange may exercise all rights Orange has pursuant to treatment of wastewater service to Seminole. Seminole, and its affected retail customers, shall have those rights to appeal set forth in the

Orange County Code.

- (c) If a material breach (other than violations of the Sewer Use Ordinance, which specifies time frames for compliance) occurs by a party ("Breaching Party"), the party suffering the breach ("Serving Party") shall serve upon the Breaching Party a written notice of breach ("Notice of Breach") detailing the Breaching Party's non-compliance with the obligations set forth in this Agreement. The Breaching Party shall have a cure period ("Cure Period") of ninety (90) days after receipt of the Notice of Breach within which to cure or otherwise comply with those obligations violated and set forth in the Notice of Breach (unless a public health condition justifies a shorter cure period). Should the Breaching Party fail to cure of otherwise comply with such violated obligations, then, the Serving Party may terminate this Agreement effective as of the end of the Cure Period, unless the Breaching Party's failure to cure or otherwise comply with those obligations violated is due to events beyond the reasonable control of the Breaching Party.
- (d) Should the breach of this Agreement involve failure by Orange to allow connection to the Transmission Facilities or provide capacity at the Orange Wastewater Plant, then after service of Notice of Breach to Orange, elapse of the Cure Period, and proper termination of this Agreement by Seminole on the basis of such failure, then Orange is not relieved of any obligation to reimburse Seminole for any expenses incurred at the time of the breach and subsequent to that event.
- (e) The obligation to pay current and past-due fees and accrued user charges incurred pursuant to this Agreement shall be obligations which survive termination of this Agreement.
- Section 12. DISPUTE RESOLUTION PROCESS. All claims, disputes and other matters in question between Seminole and Orange arising out of, or relating to this Agreement or

its performance or breach shall be resolved in accordance with the following procedure as set forth below: (a) negotiation, (b) mediation, and (c) judicial resolution.

- (a) Negotiation. Seminole and Orange acknowledge the benefits of resolving, and attempting to resolve, all disputes by negotiation between themselves, without resort to any third parties, and agree therefore to negotiate in good faith to resolve all disputes before invoking any other method of dispute resolution as provided for in this Agreement, provided, however, that the period of time for good-faith negotiations shall not exceed forty-five (45) calendar days, unless longer period is agreed to in writing by the parties, which agreement shall not be unreasonably withheld.
- (b) Initial Dispute Resolution. If a dispute cannot be settled through direct discussions, the parties may submit the dispute to a mutually acceptable neutral third party for non-binding mediation before resorting to litigation. The location of the mediation shall be the location of the facilities or another mutually agreeable location. The parties agree to conclude or terminate such mediation within sixty (60) calendar days of selection of the mediator. The cost of the mediator shall be shared on a 50%/50% basis between Seminole and Orange.
- (c) Judicial Review. If the parties are unable to reach a resolution of any dispute by direct discussion or mediation, jurisdiction to resolve the dispute shall rest solely with the Circuit Court in and for Orange County, Florida. There shall be no arbitration of claims arising out of this Agreement.

Section 13. Termination.

Either Party may terminate this Agreement in writing without cause during the Term of the Agreement by giving the other party three (3) years advance notice of the effective date of such cancellation. Both parties shall be fully discharged from any service obligations arising from such cancellation.

Section 14. Notices. Any notice required or allowed to be delivered hereunder shall be in writing and be deemed to be delivered when: (a) hand delivered to the official hereinafter designated, or (b) upon receipt of such notice when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to a party at the address set forth opposite the party's name below, or at such other address as the party shall have specified by written notice to the other party delivered in accordance herewith.

Orange:

Orange County Utilities Department

Utilities Director

109 East Church Street, Suite 400

Orlando, Florida 32801

with copies to:

County Administrator

And

County Attorney

201 S. Rosalind Avenue Orlando, Florida 32801

Seminole:

Seminole County

Director of Environmental Services 500 W. Lake Mary Boulevard

Sanford, Florida 32773

with copies to:

County Manager

And

County Attorney

Seminole County Services Building

1101 E. First Street Sanford, Florida 32771

Section 15. Severability. If any part of this Agreement is found invalid or unenforceable by any court, such invalidity or unenforceability shall not affect the other parts of

the Agreement if the rights and obligations of the parties contained herein are not materially prejudiced and if the intentions of the parties can continue to be effected. To that end, this Agreement is declared severable.

- Section 16. Time of the Essence. Time is hereby declared of the essence to the lawful performance of the duties and obligations contained in this Agreement.
- Section 17. Applicable Law. This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida.
- Section 18. Venue. Any legal proceeding of any nature brought to enforce any right or obligation under this Agreement, or arising out of any matter pertaining to this Agreement, shall be brought and tried in the Circuit Court of Orange County, Florida. Each Party waives the right to a jury trial. Each party shall waive any claims for attorney's fees against the other.
- Section 19. Assignment. This Agreement may not be assigned without the express written consent of the parties.
- Section 20. Headings. Captions and section headings in this Agreement are provided for convenience only and shall not be deemed to explain, modify, amplify or aid in the interpretation, construction or meaning of this Agreement.

Section 21. Indemnity and Insurance.

(a) Each party to this Agreement is responsible for all personal injury or property damage attributable to the negligent acts or omissions arising out of this Agreement of that party and its officers, employees, and agents, and such negligent party shall be responsible for all liability or property damage attributable to the negligent acts or omissions of that party and its officials, and employees or arising out of or resulting from that party's negligent performance

under this agreement, and agrees to indemnify and hold harmless the other party, its officials and employees from all claims, actions, losses, suits, judgments, fines, liabilities, costs and expenses in connection therewith, to the extent permitted by Florida Statute Section 768.28.

- (b) Orange and Seminole shall each acquire and maintain throughout the term of the agreement such general liability, automobile liability and workers' compensation insurance as required by their current rules and regulations. In the event either party subcontracts any work under this agreement, that party shall require its subcontractor(s) to acquire and maintain throughout the contract period, workers' compensation, automobile, general liability and professional liability (design components) insurance coverage in amounts acceptable to the other party. Each party shall be listed as an additional insured on the general liability policy.
- (c) The parties further agree that nothing contained herein shall be construed or interpreted as denying to any party any remedy or defense available to such parties under the laws of the State of Florida. Neither this provision nor any other part of this Agreement shall be construed as a waiver of sovereign immunity of Seminole and Orange beyond the waiver provided for in Section 768.28, Florida Statutes.

Section 22. Entire Agreement. This Agreement supersedes all previous discussions, understandings, and agreements between the parties relating to the subject matter of this Agreement. This Agreement may only be amended by the parties in writing, and no amendment or waiver of a provision of this Agreement shall be effective except by formal amendment to this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunder executed this Agreement on the date and year first above written.

BOARD OF COUNTY COMMISSIONERS SEMINOLE COUNTY, FLORIDA

	BY:	
	Daryl G. McLain, Chairman	
ATTEST: MaryAnne Morse, Clerk of the Ford County Commissioners of Seminole County County Commissioners of Seminole County County Commissioners of Seminole County Count	Board unty, Florida	
By:		
Printed Name:	_	
	ORANGE COUNTY, FLORIDA By: Board of County Commissioners	
	BY: Richard T. Crotty, Orange County Chairman	
ATTEST: Martha O. Haynie, County Comptroller As Clerk of the Board of County Commissioners		
By: Deputy Clerk		
Attachments: Exhibit "A" - Legal Description of Hawthorne Glen (the "Project") Exhibit "B" - Depiction of Points of Connection		
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Hawthorne Glen

Exhibit A

Legal Description

A Tract of land being a portion of Section 35 & 36, Township 21 South, Range 31 East, Seminole County, Florida, being more particularly described as follows:

Commence at the Southeast corner of said Section 35; thence North 00°13'35" West along the East line of the Southeast 1/4 of said Section 35 for a distance of 40.00 feet to the POINT OF BEGINNING; thence South 89'57'28" West along the North right-of-way of McCulloch Road and a line 40.00 feet North of and parallel to the South line of the Southeast 1/4 of said Section 35 for a distance of 926.01 feet; thence North 00°19'24" West along the East line of the West 400.00 feet of the Southeast 1/4 of the Southeast 1/4 of said Section 35 and the East line of Tract 301 at Carillon per Plat thereof recorded in Plat Book 46, Page 31-37 Public Records of Seminole County, Florida, for a distance of 1284.74 feet; thence North 89°48'32" East along the North line of the Southeast 1/4 of the Southeast 1/4 of Section 35 for a distance of 928.18 feet; thence South 00°13'35" East along the East line of the Southeast 1/4 of said Section 35 for a distance of 663.57 feet; thence North 89°58'56" East along the North line of the South 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 36, Township 21 South, Range 31 East for a distance of 1299.92 feet; thence South 00°06'39" East along a line 25.00 feet West of and parallel to the East line of the Southwest 1/4 of the Southwest 1/4 of said Section 36 and the West right-of-way of Lockwood Road per Plat Book 5, Page 82 Public Records of Seminole County, Florida, for a distance of 623.72 feet; thence South 89°59'20" West along a line 40.00 feet North of and parallel to the South line of the Southwest 1/4 of the Southwest 1/4 of said Section 36 and the North right-of-way of McCulloch Road for a distance of 1298.66 feet to the POINT OF BEGINNING.

Contains: 45.970 Acres, more or less.

